

Council hails squeaky clean procurement report

BY JASON MARKUSOFF, CALGARY HERALD FEBRUARY 14, 2011

Presented By:



Owen Tobert, the top city bureaucrat, took aim Monday at council members past and present who chose to "run to the races" with the city procurement controversy stemming from former auditor Tracy McTaggart's 2010 report.

Photograph by: Lorraine Hjalte, Calgary Herald

CALGARY - The contracting audit fiasco that inflamed city hall and the election last year was fully extinguished Monday, as the city manager rebuked some aldermen's inflammatory words, and the mayor admitted even he got confused by the language and innuendo around the former auditor's scathing report.

Council debated its external auditor's long-awaited report, which conclusively determined there wasn't fraud to be uprooted within city procurement, and defused some of the more incendiary suggestions, like the one about \$747 million "missing" or used improperly on several contracts.

Owen Tobert, the top city bureaucrat, who hailed a report that would remove "shadow of wrongdoing" over city staff, took aim at council members (past and present) who chose to "run to the races" with the controversy stemming from former auditor Tracy McTaggart's report last summer.

"You get told a lot of things . . . people have agendas," Tobert said during council, following up on comments from Ald. Diane Colley-Urquhart, whose questioning in committee had elicited McTaggart's infamous remark that she could "pretty much guarantee there's fraud" in city operations.

Council terminated McTaggart's contract near the height of the saga, after a dismal review of her office's performance. Audit committee chair Ald. Brian Pincott amplified Tobert's comments.

"God knows we were very often very cognizant of the camera that we were playing to, and the larger public that we were playing to," he said.

"But we need to be cognizant, as well, of the 14,000 people that we work with. And the things we say, and the things other people say, can have a lot of impact and cause a lot of damage."

Colley-Urquhart said she didn't feel that Tobert was referring to her with his warning.

"I have no regret whatsoever about asking all the tough questions about procurement and our practices here the city of Calgary over the past three years," she told reporters.

Even Tobert has acknowledged that McTaggart's report had revealed several shortcomings and potential improvements for the city's multibillion-dollar contracting practices.

Colley-Urquhart said the whole saga did wind up "airing out" the procurement issue and Calgary's frequent sole-sourcing, although its finale had a disappointing lesson.

"That's kind of a sad day when can't rely as an elected official on what a professional auditor has told you."

The new report by auditors at Deloitte confirmed that the bulk of the \$747 million cited in change orders were mainly a product of the city's construction process: construction management firms would get the first slice of payment, and then add to their purchase order the subcontracts for supplies and labour.

While some rivals suggested that amount was missing and others said there was no paperwork to explain nearly three-quarters of a billion dollar of expenses, Mayor Naheed Nenshi had argued during his successful campaign that the city's contracts had blown budgets by that dizzying amount.

"The language was confusing, right? Because every time one hears change order, one thinks overbudget." he acknowledged in council.

jmarkusoff@calgaryherald.com

© Copyright (c) The Calgary Herald